

# Notes to the Consolidated Financial Statements

## 1. Basis of preparation

The Geberit Group is a leading supplier of sanitary plumbing systems for the residential and commercial new construction and renovation markets. The product range of the Group consists of the product area “sanitary systems” with the product lines installation systems, flushing systems, public and waste fittings and traps on the one hand and the product area “piping systems” with the product lines building drainage systems and supply systems on the other hand. All products are sold to plumbers and installers through wholesalers.

The consolidated financial statements include Geberit AG and the companies which it controls (“the Group” or “Geberit”). Minority interests are shown as a separate part of the consolidated equity. The Group eliminates all intra-group transactions as part of the Group consolidation process. Companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

The consolidated financial statements of the Group have been prepared in accordance with the International Financial Reporting Standards (“IFRS”).

The term “MCHF” in these consolidated financial statements refers to millions of Swiss francs, “MEUR” refers to millions of Euro, “MGBP” refers to millions of Great Britain pounds sterling and “MUSD” refers to millions of US dollars. The term “shareholders” refers to the shareholders of Geberit AG.

### **Critical accounting estimates**

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Actual results can differ from estimates. Estimates and assumptions are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the prevailing circumstances. If required by IFRS, these estimates and assumptions are disclosed in the related notes.